APPLICANT(S): Elad Barkan SERIAL NO.: 10/046,745

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REMARKS

The present response is intended to be fully responsive to all points of objection and/or rejection raised by the Examiner and is believed to place the application in condition for allowance. Favorable reconsideration and allowance of the application is respectfully requested.

Applicants assert that the present invention is new, non-obvious and useful. Prompt consideration and allowance of the claims is respectfully requested.

Status of Claims

Claims 1 through 13 have been canceled.

claims 14 through 28 are on file.

Claims 14, 15, 17, 19, 21-28 are Currently Amended.

CLAIM REJECTIONS

35 U.S.C. § 102 Rejections

Further to the examiner response in the office action, the applicant has decided, for clarity reasons, and to avoid all examiner rejections, to amend the claims accordingly and as listed above.

The objective of the amended claims is to explicitly recite the limitation that the new device obtains the same functionality of existing devices. An example for such functionality is a new smart card that obtains the functionality of an existing credit card, to be used for purchasing purposes (as was cited by the examiner in paragraph 3 of the office action).

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Therefore, independent claims 14 and 22 were amended. The other amended claims where amended accordingly.

The limitation of <u>transferring functionalities</u> of existing <u>user's device into a new device</u> is not suggested, taught or disclosed by **Micali** or any other known prior art. As well established under U.S. patent law, for a reference to anticipate a claim, the reference must teach all elements of the claim.

The text of our responses to all other examiners argument that are not included in this response, can be found in our response to prior office action.

In view of the foregoing remarks, the pending claims are deemed to be allowable. Their favorable reconsideration and allowance is respectfully requested.

Respectfully submitted,

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